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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/08

SPONSOR Begay LAST UPDATED \_\_\_\_\_ HB 528

SHORT TITLE Native American Behavioral Health Services SB \_\_\_\_\_

ANALYST Hanika-Ortiz

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$4,800.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth & Families Department (CYFD)  
 NM Corrections Department (NMCD)  
 Public Education Department (PED)  
 Human Services Department (HSD)  
 Indian Affairs Department (IAD)

### SUMMARY

#### Synopsis of Bill

House Bill 528 appropriates \$4.8 million from the General Fund to HSD for expenditure in FY09 and subsequent fiscal years to provide behavioral health services and support services for Navajo and other Native American communities in northwestern New Mexico; and, for Native American therapeutic foster homes statewide.

### FISCAL IMPLICATIONS

The appropriation of \$4.8 million contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert to the General Fund.

Mental health and substance abuse treatment and support services in the Medicaid State Plan provided for any Native American Medicaid enrollee would make State General Fund dollars for

such services eligible for a federal match; but only if the provider of those services is credentialed as a Medicaid provider as part of the Statewide Entity provider network; and, providing services in accordance with his or her licensure.

Federal law provides for one hundred percent federal pass-through dollars to states for Medicaid-covered services provided to Native American Medicaid recipients by Indian Health Service and Tribal facilities operating under Public Law 93-638 agreements.

The appropriation associated with HB 528 is separate from the Governor's Executive budget recommendation which includes \$350 thousand to be allocated for substance abuse services and an additional \$200 thousand for post traumatic stress disorder or brain injury treatment among New Mexico's Native American population.

Behavioral health services including treatment foster care are also available for non-Medicaid enrolled Native American children through CYFD general funds administered by the Statewide Entity.

### **SIGNIFICANT ISSUES**

IAD reports that appropriations could be used for a number of services including: substance abuse, treatment for Native American veterans with post traumatic stress disorder or traumatic brain injuries, therapeutic foster homes, operation funding for the Na'Nizhoozhi Center Inc., and funding for the Diné Local Collaborative #15 behavioral health efforts. The Diné Local Collaborative #15 works to identify behavioral health issues facing Navajo communities in northwest New Mexico.

IAD further reports that the bill will also appropriate funds for Native American therapeutic foster homes. Therapeutic foster care ensures a program where the parents have received special training in dealing with a wide variety of children, including those who are developmentally delayed. Parents in therapeutic homes are also supervised and assisted more than parents in regular foster homes.

### **PERFORMANCE IMPLICATIONS**

The FY09 Executive Budget notes that increasing rural, frontier and border access to behavioral health services continues to be a priority of HSD.

### **ADMINISTRATIVE IMPLICATIONS**

Staff within HSD would oversee these services with the single state entity.

This bill has the potential to expand services available to Native American youth in CYFD custody who are being served in therapeutic foster care. Any additional administrative impact will be absorbed within existing CYFD resources.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to HB557 Native American Youth Behavioral Services

Relates to HB 120 Indian Health Care Improvement Act

**TECHNICAL ISSUES**

HB 528 refers to “other Native American communities in northwest New Mexico”. Clarification is needed on which tribes, pueblos, and nations other than the Navajo Nation are considered to lie in this area.

**OTHER SUBSTANTIVE ISSUES**

HPC notes that the Indian Health Service (IHS) is funded at only 54% of the level necessary to provide full services in the 35 states in which it operates. In New Mexico there are two IHS Service Areas: Albuquerque and Navajo. In 2003, the federal government expended \$2,007 per Native American client, compared to \$4,487 for Medicaid clients and \$7,145 for Medicare clients. In that same year, the overall per capita expenditure for healthcare in the United States was \$5,952.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Support for behavioral health services and support services in Navajo and other Native American communities in northwestern New Mexico will not be provided through this bill.

AHO/bb